



G. N. Kuruc, Jr.
Key Account Manager
400 Raritan Center
Edison, N. J. 08837
908-225-4774
Voice Mail 43778

April 23, 1997

To: M. A. Young

RE: Monthly Status Report- April 1997

I. Full Priced Brands

A. Volume and Share Trends (through w/o 4/18)

<u>Direct Chain</u>	<u>Volume Trend</u>	<u>AIM Share Trend</u>
Wakefern Food Corp.	- 23.6%	-.7%
Plainbridge Inc.	- 5.2%	-.5%
Grand Union Company	- 28.1%	n/a

B. New Brands

Nothing to report

C. Observations and Recommendations

Wakefern Food continues to experience heavy volume losses due mainly to the large number stores removing self-service package merchandisers early in the year.

Pathmark's (Plainbridge Inc.) volume is actually leveling due to implementation of our Level I Meeting Competition Contract in 43 of their stores. The additional product availability has definitely helped volume. Preliminary Quikcat Reports for the contracted stores indicate both RJR volume and share increases over previous quarters.

51851 6906

II. Branded Savings

A. Volume and Share Performance (through w/o 4/18)

<u>Direct Chain</u>	<u>Volume Trend</u>	<u>AIM Share Trend</u>
Wakefern Food Corp.	-22.4%	+ .3%
Plainbridge Inc.	- 35.9%	- 3.3%
Grand Union Company	- 73.0%	n/a

B. New Brands

Nothing to report

C. Observations and Recommendations

2nd Quarter Action Plans - Chains

Wakefern Food Corporation	June- DORAL \$2 Price Plus
Pathmark Stores	June DORAL \$2 Electronic Coupon
Quick Chek Food Stores	April and July DORAL \$.20 Buy Down
Amerada Hess Corporation	April/May/June DORAL \$2 Off Invoice

III. Private Label

- ☐ Wakefern Food Corporation- WORTH continues to show case volume losses vs 1996. The Co-op gives very little support to the Brand with the exception of Price Plus Programs which are funded by their Forsyth Accrual. If results from the April Program are negative, my recommendation is that we use future Accrual dollars to fund Full Price Programs.
- ☐ Quick Chek Food Stores- The Chain will be running its first scanning buy down on COURIER in July.
- ☐ Amerada Hess Corporation- Hess will be using the additional \$.20 added to its accrual fund to buy down SIGNATURE at the rate of \$.15 during July and August. A snap lock sign will also be featured.

IV. Merchandising

Amerada Hess Corporation This chain plans to open its first "home plate" design store in July in Daytona Beach, Florida. In conjunction with this opening we have obtained NASCAR Ashtrays to promote our Brands during race week in selected stores. Hess Executives, including CEO John Hess will be entertained at the race. Locations still have not been named for the CTS test. Charlie Iszard assures me that the stores will be up and running by June.

51851 6907

The Chain will purchase the 60 store Pick Kwik operation in Florida in July. I have supplied AIM and V trend Reports to Charlie Iszard.

Charlie has requested that we attend and present at his next meeting of Division Managers for New York/LI, Upstate NY, New Jersey, and New England. The meeting will be held in Upstate NY on May 8. I will be working with AM Anthony Zecca to develop a presentation featuring industry trends, segment information, and AIM Data.

Pathmark Stores I am currently attempting to add approximately 20-30 additional stores to the contract list. These are stores where Philip Morris will be placing new fixturing during mid 1997. A DORAL Electronic Coupon Program has been scheduled for June in an attempt to build sagging share and volume. Attended the Vendor Appreciation Breakfast on Thursday, April 17. The Chain announced that it will be selling some of its stores in South Jersey, and closing some other locations. A new store is under construction on Long Island. A new Category Manager for tobacco will be named late in April.

Quick Chek Food Stores Approval has been received for the Direct Mail proposal submitted in March. Four (4) mailings will be sent beginning in late May to both franchise and competitive smokers. Each mailing will be of greater value. The Chain is also working on consolidation of its backbar savings displays from RJR, Philip Morris and BAT. I have provided sample displays, and cost share information to Phil Baseil. A third "store within a store" concept is scheduled to open in early May in Hoboken. Presented PM Exclusive Rebuttal to Phil Baseil on April 14. Copies were sent to Bob Page as well as Glenn Hart and Mike Murphy.

Wakefern Food Corporation A Cigarette Category Manager still has not been named as a replacement for Vince Vanvourellis. Purchasing Manager presented my Industry Trends, FDA Proposal/Impact, and Merchandising Recommendations to the Buying Committee on April 21.

Foodarama Supermarkets In conjunction with removal of UPM's from self-service, and Philip Morris refusal to sign a contract Foodarama has decided to place PM Brands on the bottom shelving and downsize all carton merchandisers one module. RJR, of course will maintain prime space on carton and pack setups as well as PDI in all supermarkets and liquor stores.

Village Supermarkets I am working with Store Supervisor James Valashinas to place single pack merchandisers in all locations.

Shop Rite Supermarkets Philip Morris is "hedging" with regard to implementation of the "Industry Approach". UPM's were supposed to be placed in SRS Stores in late March.

51851 6908

A&P NY Metro William Loutitt, former CEO of Grand Union has resigned to assume the duties of Chairman and CEO of the New York Metro Region of A&P, a newly created post.

Super Fresh, NJ Rick Reitter, Category Manager has assumed the responsibility for Super Fresh. In early April, I presented the current merchandising status, the 1996 Business Review (previously presented to Super Fresh), and current Industry trends.

Grand Union Nothing to report.

V. Miscellaneous

Additional time spent this month on the following:

- ⇒ Worked with AM's Evanchik and Wolfe to develop Chain Pricing Strategies.
- ⇒ Worked with AM Wolfe (direct accounts)
- ⇒ Worked with RM John Klein (Pathmark contract stores)
- ⇒ Worked with SR D. Chomko (Carteret Shop Rite presentation)
- ⇒ Attended KAM/AM Meeting on April 18

G. N. Kuruc, Jr

cc: M. McHugh
A. Evanchik
L. Wolfe

51851 6909